D.B. INCOME TAX APPEAL NO.140/2006
(CIT, Udaipur Vs. Shri Sardar Singh & Party)

Date of order : 12.12.2006

HON'BLE MR. JUSTICE RAJESH BALIA
HON'BLE MR. JUSTICE GOPAL KRISHAN VYAS

Mr. K.K. Bissa, for the appellant.

We have heard learned counsel for the appellant.

This appeal is directed against the order of Income Tax Appellate Tribunal, Jodhpur Bench, Jodhpur dated 2.6.2005 by which the Tribunal has upheld the order of CIT (Appeals), reducing the additions made by the assessing officer in the income returned by the assessee for the assessment year 1996-97 inter alia on the ground that the assessee who is a licencee of the exclusive privilege of the State to deal in alcohol fit for human consumption, has paid a sum of Rs.1,26,05,326/- as short fall in payment for not lifting the contracted quantity of liquor and likewise, the assessee was made to pay Rs.47,64,557/- on account of short fall of guarantee money in respect of IMFL and beer. Taking into consideration, this loss, Tribunal found that in the business of country liquor as well as IMFL, the gross profit rate declared in both these cases would be far better than the

comparable cases of other licensee. Therefore, reduction in the additions was found to be in order and interference was not made.

We are of the opinion that the finding is finding of fact and is squarely governed by decision rendered by this Court in DB Income Tax Appeal No.72/2005 (Commissioner of Income Tax, Udaipur Vs. M/s. Om Prakash Mula Ram & Party) and another decision in DB Income Tax Appeal No.65/2005 (Commissioner of Income Tax, Udaipur Vs. M/s. Sukh Dev Kailash Chandra & Party) whereby the reduction made by the assessing officer for the like reasons was held to be not giving rise to any substantial question of law.

Accordingly, the appeal fails and is hereby dismissed.

(GOPAL KRISHAN VYAS), J. (RAJESH BALIA), J.

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